



Department of Medical Assistance Services  
600 East Broad Street, Suite 1300  
Richmond, Virginia 23219

<http://www.dmas.state.va.us>

# MEDICAID MEMO

**TO:** All Hospitals and Managed Care Organizations Participating in the Virginia Medical Assistance Programs

**FROM:** Gregg A. Pane, MD, MPA, Director  
Department of Medical Assistance Services (DMAS)

**MEMO:** Special

**DATE:** 4/6/2011

**SUBJECT:** Outpatient Hospital Coding of Procedure Codes and Modifiers

The Department of Medical Assistance Services (DMAS) is in the early stages of evaluating the adoption of the Enhanced Ambulatory Patient Groups (EAPG) reimbursement methodology for outpatient hospital services. In order to perform an accurate evaluation of the reimbursement methodology and the impact on providers, changes in hospital coding practices are required. The current outpatient hospital reimbursement structure only requires submission of charges by revenue codes. EAPGs, however, are defined using diagnosis codes, Current Procedural Terminology (CPT) codes, Healthcare Common Procedure Codes (HCPCS), and modifiers. More information on the EAPG reimbursement methodology can be found at the link below.

Beginning June 1, 2011 all paper and electronic claims submitted to DMAS for outpatient hospital reimbursement, including therapy claims, are required to include procedure (CPT/HCPC) codes with their applicable modifiers for each revenue line, in addition to the revenue codes already being submitted. While Medicaid will continue to reimburse hospital outpatient services using revenue codes until further notice, getting in the habit of properly and completely coding Medicaid claims to include procedure codes and modifiers will smooth the transition to EAPG reimbursement. Most hospitals already code most outpatient claims in the proper manner because it is required by other payers and is consistent with instructions in the UB-04 manual.

Outpatient hospitals will continue to be reimbursed a percentage of charges on an interim basis and settled to a percentage of costs; however, in order to evaluate the EAPG methodology for future implementation, DMAS is requiring complete coding beginning on June 1 on all hospital outpatient claims.

### ***Additional Resources***

[http://solutions.3m.com/wps/portal/3M/en\\_US/3M\\_Health\\_Information\\_Systems/HIS/Products/APG\\_Software/](http://solutions.3m.com/wps/portal/3M/en_US/3M_Health_Information_Systems/HIS/Products/APG_Software/)

### **VIRGINIA MEDICAID WEB PORTAL**

DMAS offers a web-based Internet option to access information regarding Medicaid or FAMIS member eligibility, claims status, check status, service limits, service authorizations, and electronic copies of remittance advices. Providers must register through the Virginia Medicaid Web Portal in order to access this information. The Virginia Medicaid Web Portal can be accessed by going to: [www.virginiamedicaid.dmas.virginia.gov](http://www.virginiamedicaid.dmas.virginia.gov). If you have any questions regarding the Virginia Medicaid Web Portal, please contact the ACS Web Portal Support Helpdesk, toll free, at 1-866-352-0496 from 8:00 A.M. to 5:00 P.M. Monday through Friday, except holidays. The MediCall audio response system provides similar information and can be accessed by calling 1-800-884-9730 or 1-800-772-9996. Both options are available at no cost to the provider. Providers may also access service authorization information including status via iEXCHANGE™ at <http://dmas.kepro.com/>.

### **ELIGIBILITY VENDORS**

DMAS has contracts with the following eligibility verification vendors offering internet real-time, batch and/or integrated platforms. Eligibility details such as eligibility status, third party liability, and service limits for many service types and procedures are available. Contact information for each of the vendors is listed below.

Passport Health Communications, Inc. <a href="http://www.passporthealth.com">www.passporthealth.com</a> <a href="mailto:sales@passporthealth.com">sales@passporthealth.com</a> Telephone: 1 (888) 661-5657	SIEMENS Medical Solutions – Health Services Foundation Enterprise Systems/HDX <a href="http://www.hdx.com">www.hdx.com</a> Telephone: 1 (610) 219-2322	Emdeon <a href="http://www.emdeon.com">www.emdeon.com</a> Telephone: 1 (877) 363-3666
---	--	--

### **“HELPLINE”**

The “HELPLINE” is available to answer questions Monday through Friday from 8:00 a.m. to 5:00 p.m., except on holidays. The “HELPLINE” numbers are:

1-804-786-6273	Richmond area and out-of-state long distance
1-800-552-8627	All other areas (in-state, toll-free long distance)

Please remember that the “HELPLINE” is for provider use only. Please have your Medicaid Provider Identification Number available when you call.